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Terry Goddard Settles with Company over Deceptive Advertising

(Phoenix, Ariz. – Sept.13, 2006) Attorney General Terry Goddard today announced a multi-state settlement with Gateway Distributors, The Right Solution Gateway and company owner Richard Bailey, resolving allegations of deceptive advertising of alternative health products. Goddard was joined by Attorneys General from 17 other states and the District of Columbia in this settlement.

The Nevada-based companies use the name "The Right Solution" to market alternative health products to consumers through mail and over the Internet. The alternative health product subject to this settlement was YMotion, a product advertised as a progesterone cream for alternative hormone replacement therapy.

The complaint alleged that The Right Solution mailed consumers an advertisement labeled as a Medical Recall Notice. This mailer falsely stated that prescription estrogen and progesterone products were the subject of medical recalls and could cause breast, cervical and endometrial cancer.

No prescription drug estrogen or progesterone product has been the subject of a medical recall.

"This company sent their mailers to women and used a scare tactic to persuade them to buy their products," Goddard said. "The advertising was highly deceptive, and it won't continue."

The mailer advised consumers that they should use The Right Solution's natural progesterone product called "YMotion Yam Cream." The complaint alleged that YMotion is a drug that has not been approved by the Food and Drug Administration (FDA) and cannot be legally sold in the United States. Additionally, The Right Solution made false and misleading claims that its product was clinically proven to be safe and effective.

The settlement prohibits the companies and Bailey from selling YMotion or any other drug products unless they are approved by the FDA. The settlement also prevents the companies and their owner from making any health claims in their ads unless they possess clinical research proving their claims to be true. The company also agreed to pay a \$100,000 penalty to the states.

Arizona consumers who file complaints about the YMotion Yam Cream with the Attorney General's Office by Dec. 11, 2006 are eligible to receive refunds from the company. More than 800 Arizona consumers may have purchased the product. Arizona residents can file complaints online at www.azag.gov or by calling 602.542.5763 in Phoenix, 520.628.6504 in Tucson or 1.800.352.8431 outside the metro areas.

Assistant Attorney General Noreen R. Matts handled this case.